

BUSINESS STRATEGY FORMULATION FOR PT. ARDHIA MULTI PARAMA

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Abstract-The business situation of digital video-audio industry will be analyzed from the data that already collected from observation, interview, and library studies to determine the opportunity in this industry still exist or not. Some analyzing of the internal-external company is the second phase after analyze the business situation, it's done to get some information about how strong the company to compete with other competitors. The analyzing are using Porter five force's, SWOT analysis, and value chain analysis. So the business issue of the company is how to win the competition with the current condition. After analyzing all of the situation of the company, the writer determine what kind of strategy to use by formulating the strategy using SWOT Matrix and Business Model canvas. The recommendation for the company is to use differentiation strategy because the result after analyzing the company have strong internal condition, but there are some threats from the external. So the business issue of the company is how to win the competition with the current condition. Strategy Implementation involves establishing programs to create a series of new organizational activities, budgets to allocate funds to the new activities, and procedures to handle the day-to-day details. With the commitment from all of the employees in implementing the proposed program, it can be expected can be sustain and grow to be one of the most famous production house in Indonesia.

Keywords : Digital Video-Audio, Production House

1. Introduction

Creative industry is currently growing in line with the needs of the public for information and entertainment continues to increase. creation results course work in the creative industries associated with those who work in the production process. In this case, sounds or sound, and video is one of one factor in the message, it should also be treated to the maximum to support a work of quality. In every creative production that was circulated in the middle of life public through the electronic media be it visual or audio media, accompanied the sound is processed in such a way as to support the goals of the production is done. The purpose is the most common to attract attention and create an atmosphere at work, as a work, even if the work is a visual masterpiece, if not supported with quality sound and support the work, it can be degrade the overall quality of the creative work. Due to the process of marketing today has turned into digital marketing, the demand for video-audio market is growing.

With this background, the author intends the theme of production house as discussed in detail in the thesis. Thesis entitled "Formulation BUSINESS STRATEGY FOR PT. ARDHIA MULTI Parama" specifically will explain how the actual business strategy used by the production house to compete with its rivals.

2. Business Issue Exploration

A. Conceptual Framework

A conceptual framework is defined as a network or a “plane” of linked concepts. Conceptual framework analysis offers a procedure of theorization for building conceptual frameworks based on grounded theory method. The advantages of conceptual framework analysis are its flexibility, its capacity for modification, and its emphasis on understanding instead of prediction. PT. Ardhia Multi Parama is a production house company which is focusing on creative music industry, making a jingle, video graphic, music, etc. The problems that are facing by the company today is the growing of company which is not stabilizing by a well structured management in fulfill the market demand. Thing that become the problem needs to be analyze.

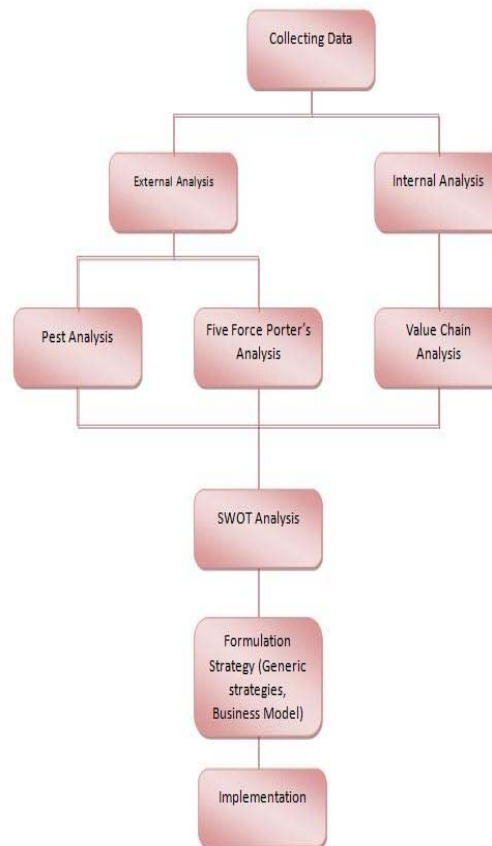


Figure 1. Conceptual Framework

B. Method of Data Collection and Analysis

1. Observation

Research carried out by directly go into the field and examine the problems that happen to make an assessment.

2. Interview

Conducting interviews with Senior Programmer / experts. Interviews can be conducted over the phone, face to face, and through messengers.

3. Library Studies

Finding and studying the written materials obtained from reference books and articles related to the research object.

C. Industry Analysis

Competitive advantage used by PT. Ardhia Multi Parama is differentiation – cost leadership strategy. The differentiation strategy is used by all of the musician to get the market share because they think with the skills they have, they can produce unique products that is unmatched with other competitors product. PT. Ardhia Multi Parama also combined the differentiation strategy with cost-leadership strategy which will affect to unsustainability of the company because they don't focus in one strategy.

Based on the porter's analysis this industry is not really attractive because there are some competitors and the new entrants in the music are high. But Since there are a lot of talents who have their own network, in conclusion, the threat of new entrants in this industry is moderate.

Several political factors that must be concerned are bureaucracy, employment laws, media regulations, and trade regulation. Economical factors that must be concerned including economic growth, credit accessibility, interest rate, inflation rate, business cycle stage, and industry marketing expenditure. Several social factors that must be concerned consist of society education, society trend and lifestyle, and socio-cultural changes. Technological factors. Technological factors that must be concerned including new innovations and discoveries, new technological platform, rate of technological changes, and technological transfer.

3. Business Solution

Based on the SWOT analysis of the previous chapter, the writer choose differentiation strategy because the strength that company have are on the taste of musician and the high quality equipments to produce high quality products. The strength that company have is high quality products, offer competitive price to customer, and have relation with other parties. The weakness

Basic approaches to strategic planning that can be adopted by any firm in any market or industry to improve its competitive performance. PT. Ardhia Multi Parama is using a differentiation strategy because the taste of the musician are different and the company believes with the skill and competence of their own musician, they can get more market share.

Firstly we need to define the clear customer segments. The clear value proposition of the company which is providing integrative media solution with the newest technologies which are customized and designed uniquely to fit the customer wants will be delivered to the customer through the distribution channel by direct selling and online order. And to maintain the customer relationship the company use internet media. The company also cooperated with selling agencies to get more market share. The Employees work based on the job description and get the payment from the revenue by selling the product and customer service revenue.

4. Conclusion and Implementation Plan

In the implementation of the program it will be divided into three categories, which are an immediate program, short-term, and long-term program. Strategy implementation is the sum total of the activities and choices required for the execution of a strategic plan. It is the process by which objectives, strategies, and policies are put into action through the development of organization structure, programs, budget, and procedures. Although implementation is usually considered after strategy formulation, implementation is a key part of strategic management. Strategy formulation and strategy implementation should be considered as two of the same point. Poor implementation has been blamed for a number of strategic failures (Wheelen and Hunger, 2010: 320).

Strategy Implementation involves establishing programs to create a series of new organizational activities, budgets to allocate funds to the new activities, and procedures to handle the day-to-day

details. The resources needed to support the program are from the financial resource and human resource. Each of the employees must commit with their job especially marketing department which is the most critical side of this company. The employees are responsible and have to plan business strategies, the policies, objectives and measures.

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